

MARYLAND HEALTH CARE COMMISSION

Certificate of Need

TO: Brent Longenecker, Division Vice President of Operations
AmSurg Holdings, Inc.
1A Burton Hills Boulevard
Nashville, TN 37215

July 18, 2019
Date

RE: Maryland Surgery Center for Women, L.L.C.
d/b/a Maryland Surgery Center
Establishment of an Ambulatory Surgical Facility

18-15-2434
Docket No.

PROJECT DESCRIPTION

This Certificate of Need authorizes Maryland Surgery Center for Women, L.L.C. d/b/a Maryland Surgery Center ("MSC") located at 11400 Rockville Pike, Suite C25, in Rockville (Montgomery County) to establish an ambulatory surgical facility through the conversion of a non-sterile procedure room to a second sterile operating room. Upon completion, the facility will have two operating rooms and four procedure rooms. The authorized expenditure for this project is \$183,155. The source of project funds is cash.

ORDER

The Maryland Health Care Commission reviewed the Staff Report and Recommendation on the proposed project and, based on that report and recommendation and the record of the project review, ordered, on July 18, 2019, that a Certificate of Need be issued for the project.

PERFORMANCE REQUIREMENTS

In accordance with COMAR 10.24.01.12C(3)(f), the project is subject to the following performance requirements:

1. Obligation of not less than 51 percent of the approved capital expenditure, as documented by a binding construction contract, within 18 months of the date of this Certificate of Need;
2. Initiation of construction no later than four months after the effective date of the binding construction contract; and
3. Documentation that the approved project has been completed, has been licensed, and has met all legal requirements and is providing the approved services no later than 18 months after the effective date of the binding construction contract.

Failure to meet these performance requirements will render this Certificate of Need void, subject to the requirements of COMAR 10.24.01.12 F through I.

PROPOSED CHANGES TO THE APPROVED PROJECT

Before making any changes to the facts in the Certificate of Need application and other information provided to the Commission, MSC must notify the Commission in writing and receive Commission approval of each proposed change, including the obligation of any funds above those approved by the Commission in this Certificate of Need, in accordance with COMAR 10.24.01.17. Pursuant to COMAR 10.24.01.17B(2), the project cannot incur capital cost increases that exceed the approved capital cost inflated by an amount determined by applying the Building Cost Index published on a quarterly basis by IHS Economics in the Healthcare Cost Review unless MSC obtains a modification of this Certificate of Need from the Commission. Instructions for determining the threshold that necessitates Commission review and approval of changes to the capital cost approved in this Certificate of Need are located on the Commission's website at: http://mhcc.maryland.gov/mhcc/pages/hcfs/hcfs_con/hcfs_con.aspx

DESIGN APPROVAL AND FACILITIES LICENSURE BY MDH

This Certificate of Need does not constitute a license or replace any approvals required by the Office of Health Care Quality ("OHCQ") or others within the Maryland Department of Health ("MDH") to construct and operate renovated space within an existing facility. MSC must provide MDH with all information it requires for plan approval, facility licensure, and putting into operation renovated space within its existing facility, including information pertaining to project design and specifications.

QUARTERLY STATUS REPORTS

MSC must submit quarterly status reports on the approved project to the Commission, beginning October 15, 2019, three months from the date of this Certificate of Need, and continuing, at three-month intervals, until the completion of the project.

REQUEST FOR FIRST USE REVIEW

MSC must request in writing, not less than 60 days but not more than 120 days before the first use of the approved operating room, a first use review from the Commission, specifying the anticipated date of first use and documenting that the project has been substantially completed and will be completed, within 120 days or less, in a manner and at a cost consistent with this Certificate of Need. Commission staff will review the request in consultation, as necessary, with OHCQ, and in accordance with COMAR 10.24.01.18 to determine whether the project conforms to the Certificate of Need. First use approval does not constitute a license or replace any approvals required by OHCQ or others within MDH to operate renovated space within an existing health care facility. Therefore, MSC should assure that OHCQ is notified of the imminent completion of the project and should arrange for completion of any inspections and or approvals required by OHCQ in a timely manner. First use approval remains in effect for 90 days. If first use of the new

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operating room does not occur within 90 days of approval, MSC shall reapply for first use approval.

ACKNOWLEDGEMENT OF RECEIPT OF CERTIFICATE OF NEED

Acknowledgement of your receipt of this Certificate of Need, stating acceptance of its terms and conditions, is required within thirty (30) days.

MARYLAND HEALTH CARE COMMISSION



Ben Steffen
Executive Director

cc: Patricia T. Nay, M.D., Executive Director, Office of Health Care Quality
Travis Gayles, M.D., Health Officer, Montgomery County